PROSPECTUS – LEASE DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS WASHINGTON, DC

Prospectus Number: PDC-12-WA13

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 135,000 rentable square feet for the Department of Commerce (DOC), Bureau of Economic Analysis (BEA) currently located at 1441 L Street, NW, in Washington, DC. BEA has occupied space in this building under the current lease since 1993.

In meeting its mission requirements, BEA will improve its office utilization rate from 132 USF to 124 USF per person and its overall utilization rate from 226 USF to 197 USF per person. This will result in a 12,960 RSF space reduction in relation to its current occupancy.

Description

Occupants:	DOC-BEA
Lease Tyne:	Renlacement

Current Rentable Square Feet (RSF)

Proposed Maximum RSF¹:

Expansion Space:

147,960 (Current RSF/USF=1.13)

135,000 (Proposed RSF/USF=1.2)

Reduction of 12,960 RSF

Expansion Space: Reduction of Current Usable Square Feet/Person 226
Proposed Usable Square Feet/Person 197
Proposed Maximum Leasing 15 years

Authority:²
Expiration Date of Current Lease: June 12, 2013

Proposed Delineated Area: Washington, DC Central Employment

Number of Official Parking Spaces: None

Scoring: Operating lease

Maximum Proposed Rental Rate³: \$50.00 per rentable square foot Proposed Total Annual Cost⁴: \$6,750,000

Current Total Annual Cost: \$4,378,732 (lease effective 6/13/1993)

¹ The RSF/USF at the current location is approximately 1.13; however, to maximize competition, a RSF/USF ratio of 1.2 is used for the proposed maximum RSF as indicated on the housing plan.

² In order to provide flexibility for BEA to consolidate into federally owned space, the procurement of space will be for a 10-year term and 5-year option.

³ This estimate is for fiscal year 2013 and may be escalated by 1.75 percent annually to the effective date of the lease to account for inflation. The proposed rental rate is fully serviced including all operating expenses whether paid by the lessor or directly by the Government.

⁴ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

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Background

Some of the widely used statistical measures produced by BEA include gross domestic product (GDP), personal income and outlays, corporate profits, GDP by state and by metropolitan area, balance of payments, and GDP by industry. These statistics are used by Federal, state, and local governments for budget development and projections; by the Federal Reserve for monetary policy; and by the business sector for planning and investment.

Justification

The current lease at 1441 L Street, NW, Washington, DC expires on June 12, 2013, and BEA requires continued housing to carry out its mission.

The maximum proposed rental rate in this prospectus is a projected rate for lease transactions with a future effective (rent start) date consistent with the expiration of the current lease in June 2013. GSA will conduct the procurement using prevailing market rental rates as a benchmark for the evaluation of competitive offers and as a basis for negotiating with offerors to ensure that the lease award is made in the best interest of the Government. Lease award shall not exceed the maximum rental rate as specified in this prospectus.

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Request for Lease Proposals and other documents related to the procurement of space based on the approved prospectus. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement and to achieve an Energy Star performance rating of 75 or higher.

Resolutions of Approval

Resolutions adopted by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works approving this prospectus will constitute approval to make appropriations to lease space in a facility that will yield the required rentable area.

Approved:

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Interim Leasing
GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.
Certification of Need
The proposed project is the best solution to meet a validated Government need.
Submitted at Washington, DC, on November 21, 2012
Recommended: Area May Joby
Commissioner, Public Buildings Service

Acting Administrator, General Services Administration